

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 113

Sacramento, CA

Minutes of Meeting

July 22, 2004

COMMISSIONERS PRESENT

Nancy E. McFadden, Chair
Thomas Calderon
Diane M. Griffiths
Teresa P. Hughes
Vicki Marti
Lynn Schenk
Michael R. Yamaki

CMAC STAFF PRESENT

J. Keith Berger, Executive Director
Enid Barnes
Theresa Bueno
Denise DeTrano
Holland Golec
Vanessa Guerrero
Mervin Tamai
Karen Thalhammer

EX-OFFICIO MEMBER PRESENT

Benjamin Thomas, Department of Health Services

EX-OFFICIO MEMBER ABSENT

Department of Finance

I. Call to Order

The July 22, 2004 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Nancy E. McFadden. A quorum was present.

II. Approval of Minutes

The June 24, 2004 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

The Executive Director, Keith Berger, indicated that there were no new requests from hospitals or health plans to appear before the Commission in closed session at this time.

Mr. Berger noted that there are 14 amendments for action in closed session at this meeting. He further indicated that the Commissioners had been provided with a draft copy of the 2004 Annual Report to the Legislature for their review. Mr. Berger informed the Commissioners that if they have any questions or comments to let him know prior to the next meeting. He stated that the final report will be on the agenda for approval at the August 12 meeting.

Benjamin Thomas, Department of Health Services (DHS), provided a brief update on Medi-Cal Redesign, indicating that the development of the Medi-Cal Redesign proposal continues and the next step will be presented after the budget is signed.

In response to Commissioner Griffiths' questions, regarding potential changes to the Medi-Cal program, Mr. Thomas indicated that one of the things that is important to DHS regarding the budget trailer bill is that for the first time DHS has authority, without regulations, to approve TARs without review. He indicated that the majority of TARs that DHS would target to approve without review are the low-risk cases. This allows DHS to manage the workload more efficiently and focus limited staff resources on the critical cases. As for changes in benefits or patient obligations, Mr. Thomas indicated that he could not comment at this time other than to say it is being debated.

IV. Medi-Cal Managed Care Activities

The Executive Director indicated that he had nothing new to report at this time on managed care other than to say that CMAC is making progress with DHS and the health plans and that staff has a number of amendments for action in today's closed session.

V. HFPA 411 Access Issues

Mr. Berger indicated that on May 27 non-contract hospital representatives from Contra Costa County appeared before the Commission requesting that Contra Costa County HFPA 411 be declared on open area under the Selective Provider Contracting Program (SPCP). During their presentation several issues were raised regarding bed capacity, patient transfers, and travel time standards. Chair McFadden requested that CMAC staff look into these issues and report back to the Commissioners on their findings. Mr. Berger stated that CMAC staff has spent considerable time and effort in

talking to the non-contracting hospital representatives, to contracting hospitals, and to the DHS Medi-Cal field office in San Francisco that processes TARs for the Contra Costa County area. He further indicated that CMAC staff has provided the Commissioners with a summary analysis of their findings. Looking at the data and based on the information CMAC has received from these parties, CMAC staff believes that there is sufficient capacity under contract to meet the needs of Medi-Cal beneficiaries for inpatient services in the Contra Costa County area.

Mr. Berger noted that there are mechanisms that were put in place in the SPCP when it first originated in the early 1980s to provide DHS the flexibility to ensure that patients have access to the care that they need, and every indication is that patients in HSPA 411 are receiving that care, TARs are being approved, and providers are being paid appropriately.

Mr. Berger stated that, given those findings, the CMAC staff recommendation is that HSPA 411 remain closed for the purposes of the SPCP. He informed the Commissioners that the non-contract hospitals that made the request to open HSPA 411 are not present at today's meeting but had provided CMAC (the day before) with a response to the summary analysis and that a copy of the response is in the Commissioners' binders as well as available to the public at the handout table.

Mr. Berger also informed the Commissioners that one non-contract hospital system filed a formal complaint last Friday, July 16, with the federal government's Centers for Medicare & Medicaid Services (CMS) asking them to initiate an inquiry into this issue. Mr. Berger indicated that CMAC staff looks forward to working with DHS in responding to the CMS inquiry.

Mr. Thomas informed the Commission that he had received an e-mail from CMS acknowledging the complaint received from the hospital system. CMS has asked DHS some initial questions regarding the issues that have been raised. Mr. Thomas indicated that DHS and CMAC will work on answering CMS' questions.

Chair McFadden asked that CMAC Commissioners defer their discussion on HSPA 411 until the CMS review was complete and a meeting could be scheduled when the hospitals are present to discuss their comments on the staff's analysis and assist the Commissioners in an independent determination regarding their request.

VI. New Business/Public Comments/Adjournment

There being no further new business and no additional comments from the public, Chair Nancy E. McFadden recessed the open session. Chair McFadden opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair McFadden announced that the Commission had taken action on new hospital contracts and amendments in closed session. There being no further business, Chair McFadden adjourned the open session.